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JAN 27, 1944

WAR FOOD ADMINISTRATION

[FDO 92]

PART 1401—DAIRY PRODUCTS

CHEESE AND CHEESE FOODS

The fulfillment of requirements for the defense of the United States will result in a shortage in the supply of milk for the production of dairy products essential for defense, for private account and for export; and the following order is deemed necessary and appropriate in the public interest and to promote the national defense:

§ 1401.9 *Restrictions on production of cheese and cheese foods*—(a) *Definitions*. When used in this order, unless otherwise distinctly expressed or manifestly incompatible with the intent hereof:

(1) The term "person" means any individual, partnership, association, business trust, corporation or any organized group of persons, whether incorporated or not.

(2) The term "Director" means the Director of Food Distribution, War Food Administration.

(3) The term "milk" means cow's milk, whether whole milk, skim milk, or partially skimmed milk, with or without the addition thereto of milk fat, and whether in natural fluid, evaporated, condensed, or reconstituted form. Such term shall also include, but not be limited to, cow's milk to which any other substance or ingredient has been added.

(4) The term "curd" means the product obtained by coagulating the casein of milk, by means of rennet or other enzyme, lactic fermentation, or any other coagulating agent.

(5) The terms "cheese" and "cheese food" mean any product or products made by modifying curd, by means of heat, pressure, vacuum process, ripening ferments, incorporating special molds or bacteria, stabilizing agent, emulsifying agent, seasoning, or by mixing curd with any other substance, but such terms shall not include the following: (i) Cheddar cheese or any product made therefrom, and (ii) cottage, pot, or baker's cheese.

(6) The term "Cheddar cheese", frequently called "American cheese" or "American Cheddar cheese", means Cheddar cheese (produced in the United States) as defined in the definition and standards of identity for Cheddar cheese issued by the Administrator of the Food and Drug Administration on January 6, 1941 (21 CFR, 1941 Supp., 19.500). Such

term does not include washed curd or colby types of cheese.

(7) The term "governmental agency" means (i) the Armed Services of the United States, (ii) the Food Distribution Administration (including, but not restricted to, the Federal Surplus Commodities Corporation), (iii) the War Shipping Administration, (iv) the Veterans Administration, and (v) any other instrumentality or agency designated by the War Food Administrator. The term "governmental agency" also includes any person who, pursuant to a Food Distribution regulation, is entitled to purchase cheese and cheese foods subject to this order.

(8) The term "Armed Services of the United States" means the Army, the Navy, the Marine Corps, or the Coast Guard of the United States, excluding for the purposes of this order, United States Army Post Exchanges, United States Navy Ships' Service Departments, United States Marine Corps Post Exchanges, and similar organizations.

(9) The term "quota period" means the period from the effective time of this order to March 31, 1944, and each of the following periods of three consecutive calendar months during each period of 12 consecutive calendar months after March 31, 1944: (i) April 1 to June 30, inclusive, (ii) July 1 to September 30, inclusive, (iii) October 1 to December 31, inclusive, and (iv) January 1 to March 31, inclusive.

(10) The term "quantity" means number of pounds net weight.

(b) *Restrictions*. (1) No person shall, during any quota period, produce a total quantity of cheese and cheese food which is in excess of the total quantity of cheese and cheese food produced by such person in the corresponding period of the calendar year 1942.

(2) Notwithstanding the provisions of (b) (1) hereof, the Director may, by order or by written notice, increase or decrease the quantity of cheese and cheese food which may be produced by any person during any quota period. Any such order or notice of the Director shall supersede the provisions of (b) (1) hereof from the date the Director declares such order or notice to be effective. No person shall produce cheese or cheese food in violation of any such order or notice of the Director.

(3) The restrictions hereof shall be observed without regard to the rights of

creditors, existing contracts, or payments made. This order shall not, however, be construed as reducing the amount of cheese or cheese food which any person is required to offer or deliver pursuant to contracts heretofore or hereafter entered into with any governmental agency.

(c) *Exemptions*. (1) In the event a person produces cheese or cheese food and it is, accordingly, charged to his quota for the respective quota period pursuant to (b) (1) hereof, there is exempted from the restrictions of this order any product thereafter made from such cheese or cheese food.

(2) There shall not be charged to any person's quota for the production of cheese and cheese food for a particular quota period pursuant to (b) (1) hereof the quantity of any cheese or cheese food made by such person after the effective time of the order and delivered by him in such quota period to a governmental agency irrespective of whether such cheese or cheese food was produced in said quota period.

(3) No person shall include in the computation of his quota for the production of cheese and cheese food for any quota period pursuant to (b) (1) hereof: (i) the quantity of any product made by such person during the calendar year 1942 from a cheese or cheese food produced by him prior to the calendar year 1942, or from a quantity of cheese or cheese food produced by such person during the calendar year 1942 which was previously included in the computation of his quota for any quota period, or (ii) the quantity of cheese or cheese food which was delivered by such person to a governmental agency during the corresponding portion of the calendar year 1942.

(d) *Production report*. Each person who produces cheese or cheese food on the effective date of this order shall, within 30 calendar days after the effective date hereof, and each person who starts to produce cheese or cheese food after the effective date of this order shall, within 30 calendar days after he starts to produce such cheese or cheese food, submit to the United States Department of Agriculture, P. O. Box 6910-A, Chicago, Illinois, in writing, the following information: (1) the name, description, and composition of each type of cheese and cheese food produced by him during the period from January 1, 1942, to the effective date hereof; (2) the total quan-

tity of each type of cheese and cheese food produced by him each calendar month during the calendar year 1942; (3) the total quantity of each type of cheese and cheese food produced by him during the calendar year 1943; (4) the total quantity of each type of cheese and cheese food produced by such person and delivered by him to governmental agencies each calendar month during the calendar year 1942; and (5) the total quantity of each type of cheese and cheese food produced by such person and delivered by him to governmental agencies during the calendar year 1943. Each person who, on or after the effective date hereof, starts to produce a cheese or cheese food which he did not produce during the period from January 1, 1942, to the effective date hereof, shall, within 30 calendar days after he starts to produce such cheese or cheese food, submit, in writing, to the United States Department of Agriculture, P. O. Box 6910-A, Chicago, Illinois, a report of the name, description, and composition of each such type of cheese or cheese food produced by him.

(e) *Audits and inspections.* The Director shall be entitled to make such audit or inspection of the books, records, and other writing, premises or stocks of cheese and cheese food of any person, and to make such investigations, as may be necessary or appropriate in his discretion, to the enforcement or administration of the provisions of this order.

(f) *Records and reports.* (1) The Director shall be entitled to obtain such information from, and require such reports and the keeping of such records by any person, as may be necessary or appropriate, in his discretion, to the enforcement or administration of the provisions of this order.

(2) Every person subject to this order shall, for at least two years (or for such period of time as the Director may designate), maintain an accurate record of his

transactions in cheese and cheese foods.

(3) The record-keeping and reporting requirements of this order have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942. Subsequent record-keeping or reporting requirements will be subject to the approval of the Bureau of the Budget pursuant to the Federal Reports Act of 1942.

(g) *Petition for relief from hardship.* Any person affected by this order who considers that compliance herewith would work an exceptional or unreasonable hardship on him may file a petition for relief with the administrator of this order. Such petition shall be addressed to Order Administrator, Food Distribution Order No. 92, Dairy and Poultry Branch, Food Distribution Administration, War Food Administration, Washington 25, D. C. Petition for such relief shall be in writing and shall set forth all pertinent facts and the nature of the relief sought. The Order Administrator may take any action with reference to such petition which is consistent with the authority delegated to him by the Director. If the petitioner is dissatisfied with the action taken by the Order Administrator on the petition, by requesting the Order Administrator therefor, he shall obtain a review of such action by the Director. The Director may, after said review, take such action as he deems appropriate, and such action shall be final. The provisions of this paragraph (g) shall not be construed to deprive the Director of authority to consider originally any petition for relief from hardship submitted in accordance herewith. The Director may consider any such petition and take such action with reference thereto that he deems appropriate and such action shall be final.

(h) *Violations.* The War Food Administrator may, by suspension order, prohibit any person who violates any provision of this order from receiving,

making any deliveries of, or using cheese and cheese food, or any other material subject to priority or allocation control by the War Food Administrator, and may recommend that any such person be prohibited from receiving, making any deliveries of, or using materials subject to the priority or allocation control of other governmental agencies. In addition, any person who wilfully violates any provision of this order is guilty of a crime and may be prosecuted under any and all applicable laws. Further, civil action may be instituted to enforce any liability or duty created by, or to enjoin any violation of, any provision of this order.

(i) *Delegation of authority.* The administration of this order and the powers vested in the War Food Administrator, insofar as such powers relate to the administration of this order, are hereby delegated to the Director. The Director is authorized to redelegate to any employee of the United States Department of Agriculture any or all of the authority vested in him by this order.

(j) *Communications.* All reports to be filed hereunder and all communications concerning this order shall, except as provided herein or unless instructions to the contrary are issued by the Director, be addressed to the Regional Director, Food Distribution Administration, War Food Administration, serving the area (8 F.R. 15764) in which the person affected by the order resides or does business.

(k) *Territorial scope.* This order shall apply only to the 48 States of the United States and the District of Columbia.

(l) *Effective date.* This order shall become effective at 12:01 a. m., e. w. t., February 1, 1944.

(E.O. 9280, 7 F.R. 10179; E.O. 9322, 8 F.R. 3807; E.O. 9334, 8 F.R. 5423; E.O. 9392, 8 F.R. 14783)

Issued this 27th day of January 1944.

ASHLEY SELLERS,
Assistant War Food Administrator.

War Food Administration, Summary to FDO 92.

The War Food Administration took steps today to divert a much-needed quantity of milk into cheddar cheese, butter, dried skim milk, evaporated milk and other war-important dairy products by restricting the total production of all types of cheese other than cheddar, cottage, pot, and bakers' to the quantity produced in 1942.

The restriction order, effective February 1, is part of the WFA's program to obtain the most efficient wartime use of the nation's milk supply. Officials pointed out that it has become necessary to extend controls to substantially all dairy products in order to make effective existing controls on the major products by restricting shifts in production to products that are not as essential to the war effort. Deliveries of cottage, pot, and bakers' cheese already have

been limited under the milk conservation order (FDO-79).

Cheddar cheese is the most valuable of all cheese types so far as the war effort is concerned, WFA officials explained, since it keeps and ships best under difficult wartime storage and transportation conditions and in the various climates in which it must be used. More than 95 percent of all war purchases of cheese consist of cheddar cheese. Cheddar cheese also is the most widely preferred variety among U. S. civilians according to pre-war consumption patterns.

An increasingly large quantity of milk has been drawn away from cheddar production and from other dairy products such as butter and dried skim milk which have been under set-aside restrictions and uniform price ceilings. A large percentage of this milk has been attracted into the production of other-than-cheddar cheeses which are generally of such

a high moisture and low milk solids content that the WFA has not requested manufacturers to set them aside for war uses.

On the basis of a 17-million pound increase in the output of such cheeses as brick, limburger, cream roquefort and Italian types during 1943, as compared with 1942, approximately 165 million pounds of milk will be conserved for use in dairy products more important at the present time to U. S. military forces, civilian and our allies. WFA officials pointed out, however, that today's action—contained in FDO 92—is expected to conserve even more milk than the annual figures would indicate because the upturn in production of cheeses, other than cheddar, in recent months has been especially sharp. In November 1943, for instance, production of types of cheese other than cheddar and cottage cheese was 30 percent higher than production

of these types in November 1942. Cheddar output on the other hand, was 2 percent lower in November than 12 months earlier. Production of butter and evaporated milk also had declined.

WFA officials stated that it would be difficult to predict the precise effect the order will have on civilian supplies of all cheese, in view of such variables affecting supply as weather, total milk output, and the effect of other milk diversion orders. The supply of the cheese types affected by the order, virtually all of which goes to civilians, will be about 8 percent lower during the next 12 months than in 1943 under the new production quotas. However, some of the increase in cheddar output, resulting from the expected diversion of milk to this type of cheese, may be available to civilians, depending on total milk output, war requirements, and the other variables. Under the set aside orders, civilians have been receiving in recent months and are now getting about

30 million pounds of cheddar cheese a month. During 1943 they received an average of 17½ million pounds of cheese other than cheddar and cottage cheese each month, compared with the estimated average 16 million pounds they will receive after February 1.

FDO 92 which applies to all cheese except cheddar cheese and cottage, pot, and bakers' cheese, limits the total quantity which may be produced from February 1 to March 31 inclusive of this year and in any calendar quarter to the total quantity produced in the corresponding period in 1942. The restrictions do not apply to individual types of cheese, and each manufacturer may produce any type or types up to the limit of his total production quota. In addition, the restrictions do not apply to processed cheese or products which are made from cheese subject to the order. All cheese sold to specified government agencies

(such as the Navy, Army, and FDA) also is exempt from the provisions of the order.

The order restricts the production of all products made from curd regardless of the manner in which the curd may be treated or modified in making such products. This broad coverage is intended to restrict the manufacture of many new modified cheeses and cheese foods which have been developed recently to evade dollars-and-cents price ceiling regulations and other war-time controls.

The Director of Food Distribution may make any further adjustments in the production quotas which appear to be necessary or desirable. Each producer is required to submit a production record, as well as a description of all cheese and cheese foods produced by him, as a basis for establishing quotas, and determining the feasibility of further adjustments in the quotas.

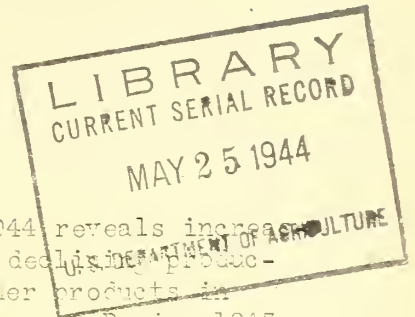
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WAR FOOD ADMINISTRATION
OFFICE OF DISTRIBUTION
Washington, D. C.

February 1944

CHEESE LIMITATION ORDER

Food Distribution Order No. 92

Questions and Answers



A review of the dairy products situation for 1943 and 1944 reveals increasing war and prospective post-war demands in the face of declining production of butter, Cheddar cheese, dried skim milk, and other products in the heaviest demand for military, civilian, and lend-lease uses. During 1943, set-aside orders and uniform price ceilings were established for butter, Cheddar cheese, and spray and roller process dried skim milk in order to insure needed supplies of these products for important war uses and in order to carry out the provisions of the Emergency Price Control Act.

During recent months there has been a marked shift of milk supplies away from those products subject to uniform price ceilings and set-aside orders to the manufacture of products not subject to such controls. For example, production of Cheddar cheese declined during 1943, whereas the production of most other types of cheese showed an increase. These other types of cheese have not been in great demand for military and lend-lease purposes, nor have they been subject to set-aside controls or uniform price ceilings.

United States civilians have shown a preference for Cheddar cheese, and they normally consume about 3 pounds of Cheddar cheese for each pound of all other types combined. Much of the increased production of other types of cheese represents unusual new types having high moisture content and low milk solids content and characterized by high cost to the consumer. While these products can be sold under present demand conditions, they do not actually reflect consumer preferences and they have tended to disrupt normal trade practices and market outlets.

Cheddar cheese production declined from a peak of 921 million pounds in 1942 to 772 million pounds in 1943. In contrast, the production of other types of cheese (excluding cottage cheese) increased from 193 million pounds in 1942 to about 210 million pounds in 1943. Estimated production of these types of cheese in October and November 1943 was 30 percent greater than a year earlier, whereas the production of Cheddar cheese, butter, dried skim milk, and evaporated milk was smaller than a year earlier.

Food Distribution Order No. 92 has been issued to restrict the production of types of cheese other than Cheddar cheese and cottage, pot, and balers' cheese, thereby diverting milk supplies into the production of Cheddar cheese, butter, dried skim milk, and other dairy products required to meet essential military, civilian, and lend-lease needs.

1. Q. To whom does the order apply?

A. The order applies to all persons who manufacture cheese or cheese foods made from curd, regardless of the manner in which the curd may be modified; however, producers of only Cheddar, cottage, pot or bakers' cheese are not affected by this order.

2. Q. What are the restrictions on the production of cheese and cheese foods, covered by this order?

A. Production of the designated cheese and cheese foods is limited to the total quantities of such cheese and cheese foods produced during the respective quarters in 1942.

3. Q. Are products made from restricted cheese covered by this order?

A. No, the order does not apply to such products.

4. Q. Are the products manufactured for designated governmental agencies covered by this order?

A. All cheese or cheese foods produced for designated governmental agencies are exempt from manufacturers' production quotas.

5. Q. What is curd?

A. The term curd means the coagulated casein of cow's milk regardless of the manner in which such coagulation is brought about.

6. Q. Does the definition of curd include only the curd of whole milk?

A. No, it includes curd obtained from whole milk, skim milk, partially skimmed milk, and milk enriched with cream, whether in natural fluid, evaporated, condensed, or reconstituted form. It also includes curd obtained from cow's milk to which any other substance or ingredient has been added.

7. Q. Is whey cheese included under the order?

A. No, not if it is produced exclusively from whey.

8. Q. Why is Cheddar cheese not included under the order?

A. Cheddar cheese is already subject to the set-aside provisions of Food Distribution Order No. 15, and increased quantities of this product are desired to meet military, civilian, and lend-lease needs.

9. Q. How is Cheddar cheese defined in the order?

A. Cheddar cheese is defined in accordance with the regulations of the Food and Drug Administration. It does not include washed

curd or Colby types of cheese, or other so-called "Cheddar types" which do not meet the specifications of the Food and Drug Administration for Cheddar cheese.

10. Q. Why are cottage, pot, and bakers' cheese not included under the order?

1. Sales of cottage, pot, and bakers' cheese are already restricted by Food Distribution Order No. 79, which limits the sale of fluid milk and milk by-products in designated urban centers.

11. Q. Can cottage, pot and bakers' cheese be made in unlimited quantities, if they are not to be sold in any of the areas covered by Food Distribution Order No. 79?

1. Yes, at the present time there are no restrictions on the production of these groups of cheese for sale in areas not covered by Food Distribution Order No. 79. That order now is effective in more than 130 urban centers, however, representing approximately 86 percent of the urban population of the United States.

12. Q. Are cheese spreads restricted under the order?

1. Cheese spreads are subject to the restrictions of the order if they are made by modifying curd, in accordance with the definition of cheese and cheese foods in the order. They are not subject to these restrictions if they are made from cheese already restricted under the order, or from Cheddar, cottage, pot, or bakers' cheese.

13. Q. Why are process cheese and other products made from restricted cheese not included under the order?

1. The production of cheese going into such products is sufficiently restricted to achieve the primary objective of controlling the use of milk solids. No attempt will be made to control the utilization of restricted cheese at this time.

14. Q. Does the order restrict the production and sale of cheese and cheese foods?

1. The order places limitations on production but not on sales.

15. Q. Does it restrict production for local sales?

1. Yes, it restricts production irrespective of quantity produced or where it is to be sold.

16. Q. Are any restrictions placed on where the cheese may be sold under this order?

1. No, the producer is free to dispose of his cheese in any manner he chooses.

17. Q. Does the fact that this order permits a person to produce 100 percent of his base production insure that ration points will be adjusted to assure the sale of such cheese?
- A. No, ration point controls operate independently of this order.
18. Q. Does the order restrict production by individual types of cheese?
- A. No, the order restricts only the total production of all designated types of cheese and cheese foods and permits shifts in production among individual types of cheese made by the same manufacturer within his quota.
19. Q. How much reduction will this bring about in civilian supplies of these products?
- A. The production of types of cheese other than whole milk Cheddar cheese and cottage, pot and bakers' cheese was approximately 193 million pounds in 1942 as compared with approximately 183 million pounds in 1940 and 160 million pounds for the 1935-39 period. The 1942 level represents approximately an 8 percent decrease from the 1943 level of production.
20. Q. Will a person who did not produce the designated classes of cheese or cheese foods in 1942 be permitted to produce such products after February 1, 1944?
- A. No, such a person would have no production quota and, therefore, would not be permitted to produce the restricted types of cheese or cheese foods after February 1, 1944.
21. Q. If a person had begun to produce the restricted classes of cheese or cheese foods during 1943, what would he do with his present supply of milk?
- A. Milk supplies in such cases should be shifted either to the production of Cheddar cheese, which may be produced in unlimited quantities, or to the production of other unrestricted dairy products, such as butter, dried skim milk, and evaporated milk.
22. Q. If a factory which is forced to divert milk supplies cannot shift to Cheddar production, and no other outlet is available, what is to be done with the milk?
- A. In such cases, an appeal may be sent to the Administrator of Food Distribution Order No. 92, Washington, D. C. requesting authorization to produce cheese in excess of the existing quotas. Such authorization will be granted, however, only in exceptional cases, where the milk otherwise would be wasted due to lack of other processing facilities. In most cases, factories will be able to shift to the production of Cheddar cheese, or will have separating equipment and will be able to divert cream and skim milk or whole milk to other receivers for use in the production of dairy products required for essential war purposes.

23. Q. Does the order limit production by months or is it on the basis of some other quota period?
- A. The first quota period will run from February 1 to March 31, 1944, and each following 3-month period will represent a separate quota period. Total production in each quota period will be restricted to the quantity produced during the corresponding period of 1942.
24. Q. Must sales to designated Governmental agencies be made from supplies produced under the established production quotas?
- A. No, production of cheese sold to designated Governmental agencies will be outside of the quotas.
25. Q. To what Governmental agencies may sales be made outside of the established quotas?
- A. Such sales may be made to the Army, the Navy, the Marine Corps, or the Coast Guard of the United States, the Food Distribution Administration, the War Shipping Administration, the Veterans Administration, and any other agency designated by the War Food Administrator.
26. Q. Are Army post exchanges, Navy ship service departments, Marine Corps post exchanges, and similar organizations considered to be part of the armed services of the United States?
- A. No, not for purposes of this order. All cheese or cheese foods sold to such organizations must be included within the established production quotas.
27. Q. May production for sales to private concerns for use in fulfilling Government contracts be authorized outside of established quotas?
- A. Only if a petition for relief has been filed and specific authorization, in writing has been granted for such production outside of the established quotas.
28. Q. How may such authorization be obtained?
- A. Either the producer or the person holding the Government contract should submit the following information, in writing:
- (1) Official order or contract held indicating the agency, contract number, and the kind of product to be manufactured.
 - (2) Amount (in pounds) and kind of cheese or cheese foods required.
 - (3) Name and address of company holding the Government contract, as well as the company which will supply the cheese or cheese foods.

29. Q. To whom should such information be submitted?
- A. This information should be directed to the Administrator of Food Distribution Order No. 92, Washington, D. C.
30. Q. Should agreement be reached between the producer of cheese or cheese foods and the person holding the Government contract before authorization for production outside the established quota is requested?
- A. Prior to submitting the petition for relief, the producer or the contract holder should determine that the cheese or cheese foods will be delivered or accepted in accordance with the information submitted, and that such products are needed to fulfill the designated Government contract.
31. Q. In what form will authorization be granted?
- A. If the relief is granted, the designated producer will be authorized by letter notification to produce a specified quantity of cheese or cheese foods outside of his established quota, and will be required to report shipments made under such authorization, citing the number assigned to the authorization, when submitting his monthly production report.
32. Q. How may changes in production quotas be made?
- A. The order provides that the Director of Food Distribution may change the quantity of cheese or cheese foods authorized to be produced by any person in any quota period. Such changes will be made only where necessary to improve the administration of the order or more fully to achieve the objectives of the order.
33. Q. Must those affected by the order submit reports?
- A. Yes, every person producing the designated types of cheese or cheese foods on the effective date of the order must submit within 30 days a report showing the quantity and description of each type of cheese or cheese foods produced by him by months during 1942, as well as monthly deliveries to Governmental agencies during 1942; and also the total production of each type of cheese or cheese foods produced during the calendar year 1943, as well as the total sales to all Governmental agencies during the same period.

A monthly report of current production will be submitted as at the present time, on Dairy Products Report No. 1, to the United States Department of Agriculture, P. O. Box 6910-A, Chicago, Illinois. Any person who begins production of the designated types of cheese or cheese foods after the effective date of the order, must submit such report within 30 days after production is begun.

34. Q. Why is the original report on past production and Governmental deliveries necessary?
- A. This report is needed to administer the order and analyze the need for further adjustments.
35. Q. If a firm operates more than one plant is such a report desired for each plant?
- A. Yes.
36. Q. Is it contemplated that monthly reports of production will also be required to be submitted separately for each plant?
- A. Yes, monthly production will be reported on Dairy Products Report No. 1.
37. Q. When plant reports are required, must a firm operating more than one plant also submit a monthly combined firm report?
- A. The procedure will require that any firm which transfers production quotas among plants must submit combined monthly reports in addition to individual plant reports. Those firms which elect to observe the production quotas of individual plants will not be required to submit the additional combined report.
38. Q. May a person produce more or less than his established quota in one quota period and offset it by a correspondingly larger or smaller production in another quota period?
- A. No, production quotas are established for each period, and every producer must stay within his quota in each period.
39. Q. May a person carry over inventories of cheese and cheese foods from one quota period to the next?
- A. Yes, the order applies only to production and, therefore, a producer may accumulate and dispose of stocks in any manner he chooses, so long as he does not produce in excess of his quota in any single quota period.
40. Q. May production quotas be transferred from one person or company to another?
- A. No, each person or company must produce within his or its own quota. Transfers can be made only when authorized by the Director of Food Distribution. Such transfers will be authorized only in unusual circumstances and only in cases where the objectives of the order will be more fully met thereby.

41. Q. Must a firm operating more than one factory figure quotas for each factory and stay within such quotas with respect to each factory?
- A. No, the firm is required only to stay within its total production quota, regardless of the factories in which its cheese may be produced.
42. Q. Is there opportunity for seeking relief from the order?
- A. Yes, any person affected by the order who considers that compliance would work an exceptional and unreasonable hardship on him may apply for relief in writing, setting forth all pertinent facts and the reasons for seeking relief. However, it was recognized that the order would reduce the supplies of cheese and cheese foods other than Cheddar, cottage, pot and bakers' cheese which would be available for local and national civilian sales, and such reduction cannot be considered a basis for relief.
43. Q. Where should applications for relief be sent?
- A. Applications for relief from hardship should be sent to the Administrator of Food Distribution Order No. 92, Dairy and Poultry Branch, Food Distribution Administration, Washington, 25, D. C.
44. Q. Where should general communications concerning operation of the order be directed?
- A. Other communications of a general nature except petitions for relief from hardship and reports should be directed to the Regional office of Food Distribution Administration serving the area in which a person resides or does business.
45. Q. Will manufacturers in deficit areas be relieved from the quota restrictions of the order?
- A. No, such adjustment is not administratively feasible. Furthermore, it is felt that all producers should share equally in the production restrictions which have been necessary.
46. Q. Must books and records be made available for examination?
- A. Yes, every person subject to this order must keep his books and records available for audit and must permit inspection of his plant and facilities at all reasonable times.

APR. 12, 1944

WAR FOOD ADMINISTRATION

[FDO 92-1]

PART 1401—DAIRY PRODUCTS

REPORTS RELATIVE TO CHEESE AND CHEESE
FOODS

Pursuant to the authority vested in me by Food Distribution Order No. 92 (9 F.R. 1082), issued by the Assistant War Food Administrator on January 27, 1944, and to effectuate the purposes thereof, it is hereby ordered as follows:

§ 1401.19 *Reports*—(a) *Definitions*. Unless otherwise distinctly expressed or manifestly incompatible with the intent hereof, each term used in Food Distribution Order No. 92 shall, when used herein, have the same meaning as is set forth for such term in said Food Distribution Order No. 92.

(b) *Monthly reports*. (1) Each person who produced cheese or cheese food in February or March 1944 shall (i) cor-

rectly complete form "Dairy Products Report No. 1, Revised" for each such calendar month, and (ii) correctly complete form "Dairy Products Report No. 6" for said February or March if he claims quota exemption sales in the respective calendar month. Each of the aforesaid reports shall be completed and mailed to the United States Department of Agriculture, Box 6910, Chicago, Illinois, on or before April 15, 1944.

(2) Each person who produces cheese or cheese food in April 1944 or who produces cheese or cheese food during any calendar month after April 1944 shall (i) correctly complete form "Dairy Products Report No. 1, Revised" for each such calendar month and each succeeding calendar month, and (ii) correctly complete form "Dairy Products Report No. 6" for each such calendar month in which he claims quota exemption sales.

Each of the aforesaid reports shall be completed and mailed to the United States Department of Agriculture, Box 6910, Chicago, Illinois, on or before the 10th calendar day of the calendar month next succeeding the one for which the report is required to be submitted.

(c) *Bureau of the Budget approval*. The reporting requirements of this order have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

(d) *Effective date*. This order shall become effective at 12:01 a. m., e. w. t., April 13, 1944.

(E.O. 9280, 7 F.R. 10179; E.O. 9322, 8 F.R. 3807; E.O. 9334, 8 F.R. 5423; E.O. 9392, 8 F.R. 14783; FDO 92, 9 F.R. 1082)

Issued this 12th day of April 1944.

LEE MARSHALL,
Director of Distribution.

